GOVERNMENT OF INDIA
COAL
LOK SABHA

STARRED QUESTION NO:68
ANSWERED ON:03.12.2015
Tariff Based Competitive Bidding
Raj Dr. Udit

Will the Minister of COAL be pleased to state:

Will the Minister of COAL be pleased to state:
(a) whether the Government proposes to introduce the tariff based competitive bidding for auctioning of coal linkages and if so, the details thereof;
(b) whether any Inter-Ministerial Committee (IMC) was constituted for the purpose;
(c) if so, the terms of reference of the Committee;
(d) whether IMC has submitted its recommendations, if so, the details thereof; and
(e) the follow-up action taken thereon?

Answer

MINISTER OF STATE (I/C) IN THE MINISTRY OF COAL, POWER AND NEW &RENEWABLE ENERGY
(SHRI PIYUSH GOYAL)

A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Q.No.68 for answer on 3.12.2015 asked by DR. UDIT RAJ.

(a)&(b): An Inter-Ministerial Committee (IMC) was constituted in the Ministry of Coal on 12.01.2015 to consider various models including auctioning of coal linkages/Letters of Assurance(LoAs) through competitive bidding as the selection process and to recommend the optimal structure that would meet the requirements of all the stakeholders.
(c): The terms of reference of IMC were to consider and examine various structures and models for implementing the competitive bidding for auction of coal linkages/LoAs and to recommend the optimal structure that would meet the requirement of all the stakeholders.
(d)&(e): The IMC has met 7 times since its constitution. It was recommended in the 5th meeting of IMC on 4.6.2015 that auction of linkages for non-regulated sector should be taken up first. Accordingly, an approach paper was prepared on 4.6.2015 and uploaded on website for public consultation. The members of public and stakeholders concerned were requested to submit their comments/views on the draft auction methodology for auction of linkages for non-regulated sector. Comments of public and stakeholders were received. Further, stakeholder industry associations also presented their views and comments before the6th meeting of IMC on 21.8.2015. A final view in the matter has yet to be taken by Government. Regarding proposed methodology for grant of future linkages/LoAsto regulated sector,a preliminary discussion paper was circulated to IMC members on 4.6.2015. However, finaldecision has not been taken on the methodology for grant of future linkages/LoAs to regulated sector through tariff based competitive bidding.

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